

**CITY OF BISMARCK POLICE PENSION FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2003**

	October-03				September-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month Policy Net ROR	Market Value	Allocation	Actual	Quarter Net ROR	Fiscal YTD Net ROR	FY03 Net ROR	Ended 6/30/2003 Net	Ended 6/30/2003 Net
<b>LARGE CAP DOMESTIC EQUITY</b>												
<i>Structured Growth</i>												
LA Capital	606,765	5.1%	5.1%	5.17%	576,605	5.0%	5.1%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.48%	-20.46%	-5.64%
<b>Total Structured Growth</b>	<b>606,765</b>	<b>5.1%</b>	<b>5.1%</b>	<b>5.17%</b>	<b>576,605</b>	<b>5.0%</b>	<b>5.1%</b>	<b>6.61%</b>	<b>12.13%</b>	<b>-1.48%</b>	<b>-20.46%</b>	<b>-5.64%</b>
Russell 1000 Growth				5.62%				3.92%	9.75%	2.93%	-21.55%	-5.04%
<i>Structured Value</i>												
LSV	645,637	5.4%	5.1%	7.45%	602,231	5.3%	5.1%	3.33%	11.03%	-2.05%	9.06%	3.95%
Russell 1000 Value				6.12%				2.06%	8.31%	-1.02%	-2.19%	-0.17%
<i>Enhanced Russell 1000 Index</i>												
LA Capital	615,939	5.2%	5.1%	5.64%	582,817	5.1%	5.1%	2.87%	8.68%	1.08%	N/A	N/A
Russell 1000				5.86%				3.00%	9.04%	0.96%	N/A	N/A
<i>Enhanced S&amp;P 500 Index</i>												
Northern Trust	579,466	4.9%	5.1%	5.63%	548,484	4.8%	5.1%	2.50%	8.26%	0.28%	N/A	N/A
Strong	595,657	5.0%	5.1%	5.80%	563,874	4.9%	5.1%	2.89%	8.86%	3.30%	N/A	N/A
Westridge	632,859	5.3%	5.1%	5.69%	598,645	5.2%	5.1%	2.65%	8.49%	0.56%	N/A	N/A
<b>Total Enhanced S&amp;P 500 Index</b>	<b>1,807,982</b>	<b>15.2%</b>	<b>15.4%</b>	<b>5.71%</b>	<b>1,711,003</b>	<b>15.0%</b>	<b>15.4%</b>	<b>2.68%</b>	<b>8.54%</b>	<b>1.35%</b>	<b>N/A</b>	<b>N/A</b>
S&P 500				5.66%				2.64%	8.45%	0.24%	N/A	N/A
<i>S&amp;P 500 Index</i>												
State Street	410,666	3.4%	3.4%	5.65%	388,694	3.4%	3.4%	2.64%	8.44%	0.31%	-11.14%	-1.58%
S&P 500				5.66%				2.64%	8.45%	0.24%	-11.20%	-1.61%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>4,086,989</b>	<b>34.3%</b>	<b>34.3%</b>	<b>5.88%</b>	<b>3,861,350</b>	<b>33.7%</b>	<b>34.3%</b>	<b>3.02%</b>	<b>9.08%</b>	<b>0.49%</b>	<b>-9.68%</b>	<b>-2.32%</b>
S&P 500				5.66%				2.64%	8.45%	0.24%	-11.20%	-1.61%
<b>SMALL CAP DOMESTIC EQUITY</b>												
<i>Manager-of-Managers</i>												
SEI	1,440,962	12.1%	10.7%	8.81%	1,323,970	11.6%	10.7%	9.68%	19.34%	0.68%	N/A	N/A
Russell 2000 + 200bp				8.56%				9.60%	18.99%	0.37%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>1,440,962</b>	<b>12.1%</b>	<b>10.7%</b>	<b>8.81%</b>	<b>1,323,970</b>	<b>11.6%</b>	<b>10.7%</b>	<b>9.68%</b>	<b>19.34%</b>	<b>0.68%</b>	<b>-3.37%</b>	<b>-0.65%</b>
Russell 2000				8.40%				9.07%	18.23%	-1.64%	-3.30%	0.97%
<b>INTERNATIONAL EQUITY</b>												
<i>Large Cap - Core</i>												
State Street	144,331	1.2%	1.1%	6.10%	136,342	1.2%	1.1%	6.08%	12.55%	-9.96%	-13.28%	-4.72%
MSCI EAFE - 50% Hedged				5.70%				6.58%	12.65%	-11.24%	-14.65%	-4.18%
<i>Large Cap - Active</i>												
Capital Guardian	353,383	3.0%	2.8%	6.64%	331,600	2.9%	2.8%	7.45%	14.58%	-11.30%	-14.96%	0.47%
Bank of Ireland	65,732	0.6%	0.6%	4.34%	63,096	0.6%	0.6%	2.64%	7.10%	-10.28%	N/A	N/A
<b>Total Large Cap - Active</b>	<b>419,114</b>	<b>3.5%</b>	<b>3.3%</b>	<b>6.27%</b>	<b>394,696</b>	<b>3.4%</b>	<b>3.3%</b>	<b>6.65%</b>	<b>13.34%</b>	<b>-11.12%</b>	<b>-14.58%</b>	<b>0.74%</b>
MSCI EAFE - 50% Hedged				5.70%				6.58%	12.65%	-11.24%	-14.65%	-4.18%
<i>Small Cap - Active</i>												
Lazard	68,602	0.6%	0.6%	5.04%	72,299	0.6%	0.6%	10.66%	16.23%	-2.32%	N/A	N/A
Wellington	80,178	0.7%	0.6%	5.93%	75,850	0.7%	0.6%	17.22%	24.17%	5.97%	N/A	N/A
<b>Total Small Cap - Active</b>	<b>148,780</b>	<b>1.2%</b>	<b>1.1%</b>	<b>5.49%</b>	<b>148,148</b>	<b>1.3%</b>	<b>1.1%</b>	<b>13.94%</b>	<b>20.20%</b>	<b>1.75%</b>	<b>N/A</b>	<b>N/A</b>
Citigroup Broad Market Index < \$2BN				6.90%				15.95%	23.96%	3.91%	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>712,225</b>	<b>6.0%</b>	<b>5.5%</b>	<b>6.07%</b>	<b>679,186</b>	<b>5.9%</b>	<b>5.5%</b>	<b>8.04%</b>	<b>14.59%</b>	<b>-8.22%</b>	<b>-12.63%</b>	<b>-0.99%</b>
MSCI EAFE - 50% Hedged				5.70%				6.58%	12.65%	-11.24%	-14.65%	-4.18%
<b>EMERGING MARKETS EQUITY</b>												
<i>Capital Guardian</i>												
Capital Guardian	269,506	2.3%	2.0%	7.31%	251,157	2.2%	2.0%	14.62%	23.00%	7.15%	-10.61%	1.62%
MSCI Emerging Markets Free				8.51%				14.23%	23.95%	6.96%	-7.07%	2.49%
<b>DOMESTIC FIXED INCOME</b>												
<i>Core Bond</i>												
Western Asset	433,067	3.6%	3.8%	-0.42%	434,842	3.8%	3.9%	-0.47%	-0.89%	13.42%	11.88%	8.58%
Lehman Aggregate				-0.93%				-0.15%	-1.08%	10.39%	10.07%	7.54%
<i>Active Duration</i>												
WestAM (Criterion)	425,421	3.6%	3.8%	-0.96%	429,801	3.8%	3.9%	-0.40%	-1.35%	9.93%	9.39%	6.85%
Lehman Aggregate				-0.93%				-0.15%	-1.08%	10.39%	10.07%	7.54%
<i>Index</i>												
Bank of ND	681,641	5.7%	6.6%	-1.29%	690,530	6.0%	6.5%	-0.73%	-2.02%	12.59%	11.06%	7.79%
Bank of ND Match Loan CD Program	111,748	0.9%	0.9%	0.48%	111,218	1.0%	1.0%	1.43%	1.91%	5.83%	5.84%	5.85%
<b>Total Index</b>	<b>793,389</b>	<b>6.7%</b>	<b>7.5%</b>	<b>-0.90%</b>	<b>801,749</b>	<b>7.0%</b>	<b>7.5%</b>	<b>-0.21%</b>	<b>-1.11%</b>	<b>10.77%</b>	<b>10.08%</b>	<b>7.44%</b>
Lehman Gov/Credit				-1.27%				-0.50%	-1.76%	13.15%	10.82%	7.83%

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	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Quarter	Fiscal YTD	FY03	Ended	Ended
				Net ROR				Net ROR			6/30/2003	6/30/2003
											Net	Net
<b>Convertibles</b>												
<b>TCW</b>	<b>460,341</b>	<b>3.9%</b>	<b>3.8%</b>	<b>4.10%</b>	<b>442,428</b>	<b>3.9%</b>	<b>3.9%</b>	<b>1.84%</b>	<b>6.02%</b>	<b>10.37%</b>	<b>-9.08%</b>	<b>N/A</b>
First Boston Convertible Index				3.27%				2.67%	6.03%	15.35%	-3.81%	N/A
<b>BBB Average Quality</b>												
<b>Strong</b>	<b>434,732</b>	<b>3.6%</b>	<b>3.8%</b>	<b>-0.96%</b>	<b>438,673</b>	<b>3.8%</b>	<b>3.9%</b>	<b>0.16%</b>	<b>-0.80%</b>	<b>14.81%</b>	<b>10.35%</b>	<b>N/A</b>
Lehman BBB				-0.91%				0.27%	-0.64%	18.33%	9.91%	N/A
<b>Timberland</b>												
<b>Evergreen (Wachovia)</b>	<b>861,127</b>	<b>7.2%</b>	<b>7.2%</b>	<b>6.22%</b>	<b>810,346</b>	<b>7.1%</b>	<b>7.1%</b>	<b>-0.15%</b>	<b>6.06%</b>	<b>12.50%</b>	<b>N/A</b>	<b>N/A</b>
											N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>3,408,076</b>	<b>28.6%</b>	<b>30.0%</b>	<b>1.46%</b>	<b>3,357,839</b>	<b>29.3%</b>	<b>30.0%</b>	<b>0.11%</b>	<b>1.57%</b>	<b>11.62%</b>	<b>6.95%</b>	<b>6.77%</b>
Lehman Aggregate				-0.93%				-0.15%	-1.08%	10.39%	10.07%	7.54%
<b>HIGH YIELD BONDS</b>												
<b>Western Asset</b>	<b>565,419</b>	<b>4.7%</b>	<b>5.0%</b>	<b>1.82%</b>	<b>555,311</b>	<b>4.9%</b>	<b>5.0%</b>	<b>1.99%</b>	<b>3.84%</b>	<b>20.04%</b>	<b>2.51%</b>	<b>4.15%</b>
Lehman High Yield Bond Index				2.02%				2.77%	4.85%	22.77%	5.44%	2.66%
<b>INTERNATIONAL FIXED INCOME</b>												
<b>International Sovereign</b>												
<b>UBS Global (Brinson)</b>	<b>242,212</b>	<b>2.0%</b>	<b>2.3%</b>	<b>-0.25%</b>	<b>242,751</b>	<b>2.1%</b>	<b>2.3%</b>	<b>3.18%</b>	<b>2.92%</b>	<b>18.20%</b>	<b>8.47%</b>	<b>5.93%</b>
Citigroup Non-US Gov't Bond Index (1)				-0.23%				2.75%	2.51%	17.91%	8.10%	6.29%
<b>International Core</b>												
<b>Brandywine</b>	<b>237,049</b>	<b>2.0%</b>	<b>2.3%</b>	<b>-0.26%</b>	<b>237,577</b>	<b>2.1%</b>	<b>2.3%</b>	<b>1.51%</b>	<b>1.24%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Lehman Global Aggregate (ex-US)				-0.28%				2.76%	2.47%	N/A	N/A	N/A
<b>TOTAL INTERNATIONAL FIXED INCOME</b>	<b>479,261</b>	<b>4.0%</b>	<b>4.5%</b>	<b>-0.25%</b>	<b>480,327</b>	<b>4.2%</b>	<b>4.5%</b>	<b>2.34%</b>	<b>2.08%</b>	<b>17.83%</b>	<b>8.36%</b>	<b>5.86%</b>
Citigroup Non-US Gov't Bond Index (1)				-0.23%				2.75%	2.51%	17.91%	8.10%	6.29%
<b>REAL ESTATE</b>												
<b>J.P. Morgan</b>	<b>550,562</b>	<b>4.6%</b>	<b>5.0%</b>	<b>1.05%</b>	<b>544,842</b>	<b>4.8%</b>	<b>5.0%</b>	<b>2.43%</b>	<b>3.50%</b>	<b>7.80%</b>	<b>7.36%</b>	<b>10.23%</b>
NCREIF TOTAL INDEX				0.65%				1.97%	2.64%	7.64%	8.51%	10.16%
<b>ALTERNATIVE INVESTMENTS</b>												
Coral Partners V	66,434			0.00%	58,940			-6.88%	-6.88%	-22.52%	-20.83%	-9.87%
Coral Partners V - Supplemental	3,456			0.00%	3,066			-15.67%	-15.67%	-28.36%	N/A	N/A
Coral Partners VI	10,814			0.00%	9,594			-12.18%	-12.18%	N/A	N/A	N/A
Brinson 1998 Partnership Fund	11,267			0.00%	10,757			4.07%	4.07%	-14.73%	-11.35%	1.31%
Brinson 1999 Partnership Fund	14,979			0.00%	13,290			0.98%	0.98%	-16.31%	-14.42%	N/A
Brinson 2000 Partnership Fund	26,143			0.00%	21,368			0.67%	0.67%	-13.99%	-9.08%	N/A
Brinson 2001 Partnership Fund	8,289			0.00%	7,354			0.43%	0.43%	-5.98%	N/A	N/A
Brinson 2002 Partnership Fund	5,609			0.00%	4,976			12.21%	12.21%	9.08%	N/A	N/A
Brinson 2003 Partnership Fund	543			0.00%	482			-3.58%	-3.58%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	8,202			0.00%	7,277			6.32%	6.32%	13.12%	2.21%	N/A
Brinson 2000 Non-US Partnership Fund	10,093			0.00%	8,954			2.82%	2.82%	9.50%	-1.63%	N/A
Brinson 2001 Non-US Partnership Fund	5,512			0.00%	4,890			7.50%	7.50%	-0.41%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	7,626			0.00%	6,766			3.71%	3.71%	5.34%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	496			0.00%	440			-0.05%	-0.05%	N/A	N/A	N/A
Brinson BVCF IV	40,032			0.00%	35,517			-1.02%	-1.02%	-14.64%	-18.80%	N/A
Matlin Patterson Global Opportunities	85,473			0.00%	72,204			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	11,438			0.00%	10,148			0.00%	0.00%	-12.50%	N/A	N/A
Hearthstone MSII	17,835			0.00%	13,716			5.06%	5.06%	28.98%	13.57%	N/A
Hearthstone MSIII	14,229			0.00%	1,714			N/A	N/A	N/A	N/A	N/A
<b>TOTAL ALTERNATIVE INVESTMENTS (2)</b>	<b>348,471</b>	<b>2.9%</b>	<b>3.0%</b>	<b>0.00%</b>	<b>291,452</b>	<b>2.5%</b>	<b>3.0%</b>	<b>-1.01%</b>	<b>-1.01%</b>	<b>-9.78%</b>	<b>-11.43%</b>	<b>-6.84%</b>
<b>CASH EQUIVALENTS</b>												
<b>Northern Trust STIF/STEP</b>	<b>56,483</b>	<b>0.5%</b>	<b>0.0%</b>	<b>0.13%</b>	<b>98,579</b>	<b>0.9%</b>	<b>0.0%</b>	<b>0.35%</b>	<b>0.48%</b>	<b>1.84%</b>	<b>3.33%</b>	<b>4.22%</b>
90 Day T-Bill				0.08%				0.25%	0.32%	1.52%	3.33%	4.07%
<b>TOTAL FUND</b>	<b>11,917,955</b>	<b>100.0%</b>	<b>100.0%</b>	<b>4.08%</b>	<b>11,444,013</b>	<b>100.0%</b>	<b>100.0%</b>	<b>3.27%</b>	<b>7.48%</b>	<b>5.32%</b>	<b>-1.84%</b>	<b>2.29%</b>
POLICY TARGET BENCHMARK				3.17%				2.85%	6.10%	4.99%	-1.79%	2.88%

**NOTE: Monthly returns and market values are preliminary and subject to change.**

(1) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.